

Logan County Commissioners hear update on waste energy plant

Creative Energy Systems moving forward with plan

By Callie Jones

Journal-Advocate staff writer

POSTED: 03/15/2016 10:48:10 PM MDT

During a work session Tuesday, the Logan County Commissioners heard an update from Creative Energy Systems on a potential 15MWe Waste Energy Plant to be used by Logan, Morgan and Washington Counties.

All three counties previously signed a memorandum of understanding to discuss the plant, which will be located in Morgan County.

Joe Yavorski, president and CEO of CES, told the commissioners Tuesday the funding they had fell through, "not in a good way." Since then, they have talked to the International Monetary Fund and signed up with Atoll Financial, out of Washington D.C., who has a track record.

He noted Xcel Energy is still on board, as are Morgan and Washington Counties. Rocky Samber asked about Xcel and whether the company is going to get an agreement with Meade Energy. Yavorski said they're still working with Meade, but Xcel has already said they will do a 25-year voluntary partnership agreement.

Now, CES is interviewing engineer and procurement contractors right now.

Yavorski noted they're running the project out of Cr Energy Concepts, when the money comes in they will have to give up a percentage of their ownership to Cr Energy Concepts. They're in negotiations to decide how much of their ownership they give up, probably around 35 to 45 percent.

CES will need to build a receiving station at the Logan County Landfill for the project. Yavorski explained how the process will work - trash will be dropped off, packed into containers and either the county or CES would bring it to the waste energy plant in Morgan

County, CES would probably be cheaper. The waste will then be converted into electricity through a proprietary version of a process called pyrolysis.

Logan County Landfill Manager Matt Chrisp asked what kinds of waste they won't take. Yavorski said they will take almost everything, including tires and construction materials, as long as it doesn't have asbestos. They don't want hazardous waste and they will not take animal carcasses or PVC pipes, but CES will take the landfill's current list of acceptable waste and they will take recyclables.

He was asked if they will take e-waste. Yavorski said they will be collecting e-waste from Morgan County, they won't go through the process of taking it apart, they will move it to someone who wants to do e-waste.

CES will sort the waste at their facility, landfill employees won't have to do that. Any unused waste, about five percent of the total waste, will be delivered back to Logan County as PVC pipe or plastics.

Chrisp asked who will collect the ticket fees, the landfill will.

"Our theory or the basis of it is that at some point you guys will see a reduction in your landfill costs, so you would pass the increased savings onto your customers or whatever you want to do with it," Yavorski said. He also pointed out that the plant will create about 55 jobs for this area.

He told the commissioners CES is looking to have the initial funding for the project by the end of June and start the air permit process. They will be running the air permit and building permit all in one. Yavorski noted they're still meeting with Colorado Department of Public Health and Environment.

After they get the air permit, it will be an 18-month cycle to build the plant and become operational. They will start receiving trash 12 months in, because they will run it integration and test mode, to make sure they're producing the power that's needed.

Yavorski noted that any CES must be permitted to handle waste at their facility and any hauler of the waste stream from Logan County's landfill to the plant must be permitted to be able to haul a waste stream. Chrisp said they aren't permitted to haul right now. Yavorski said that's alright, CES may end up doing the hauling because they're permitted.

County Attorney Alan Samber asked who will pay for construction of the unloading facility. Yavorski said they will build it, but they would want to give it over to the county to own, since it's on county property.

Chrisp said one of his primary concerns with the project is they will have to have a useable well at the landfill, "we're definitely going to have to find water in order to maintain that building," for cleanup of the concrete. Yavorski said Washington County has some water issues too and the company might end up just brining water in by truck.

He asked the county attorneys from the three counties to look over an initial first draft of a contract; review it and make recommendations and then he will present a finalized contract.

Callie Jones: 970-526-9286, cjones@journal-advocate.com